



Presentation

Company Overview

- 1990 Began providing Long Distance Services
- 1998 Became facilities based CLEC
- 2001 Integrated Communications Provider
 - 195 Co-locations
 - 8 Operational switches
 - Over 25,973 digital fiber miles
 - 91,700 square feet of completed e.commerce space

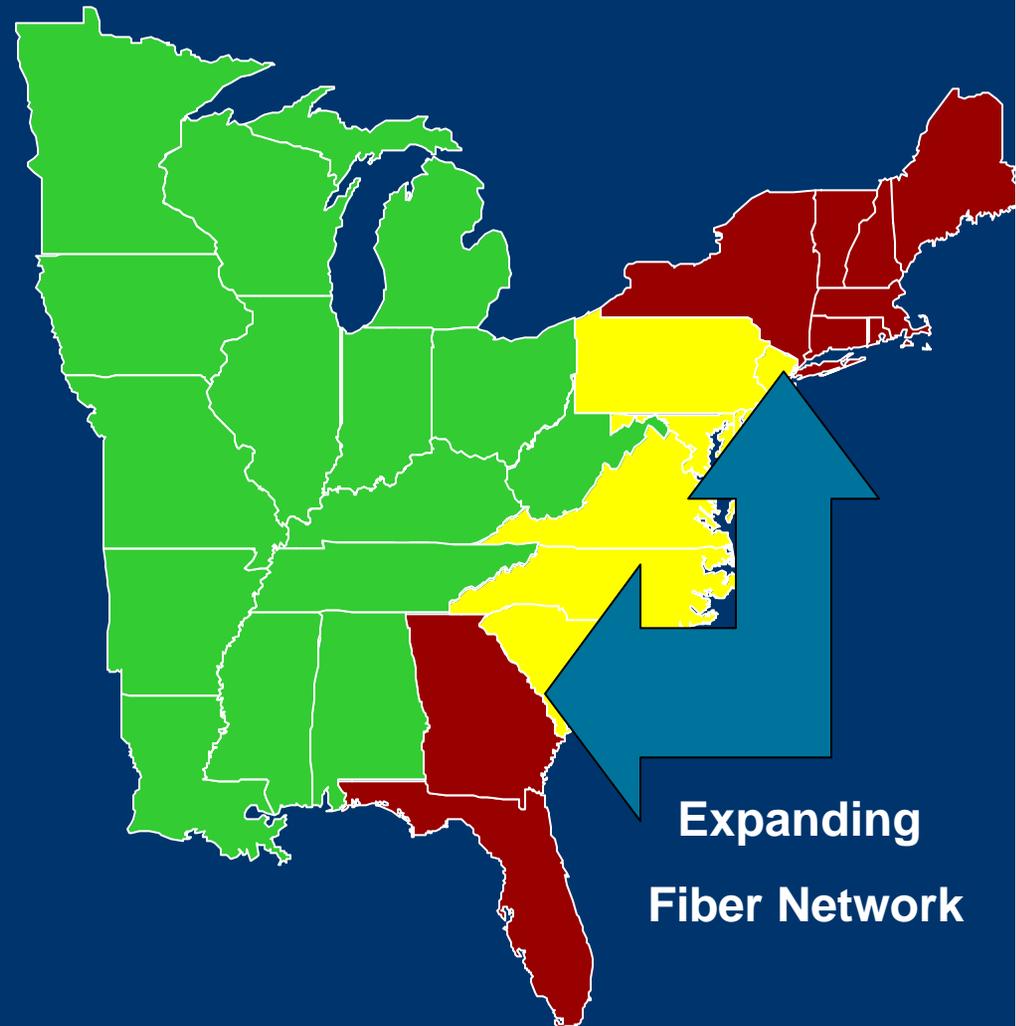
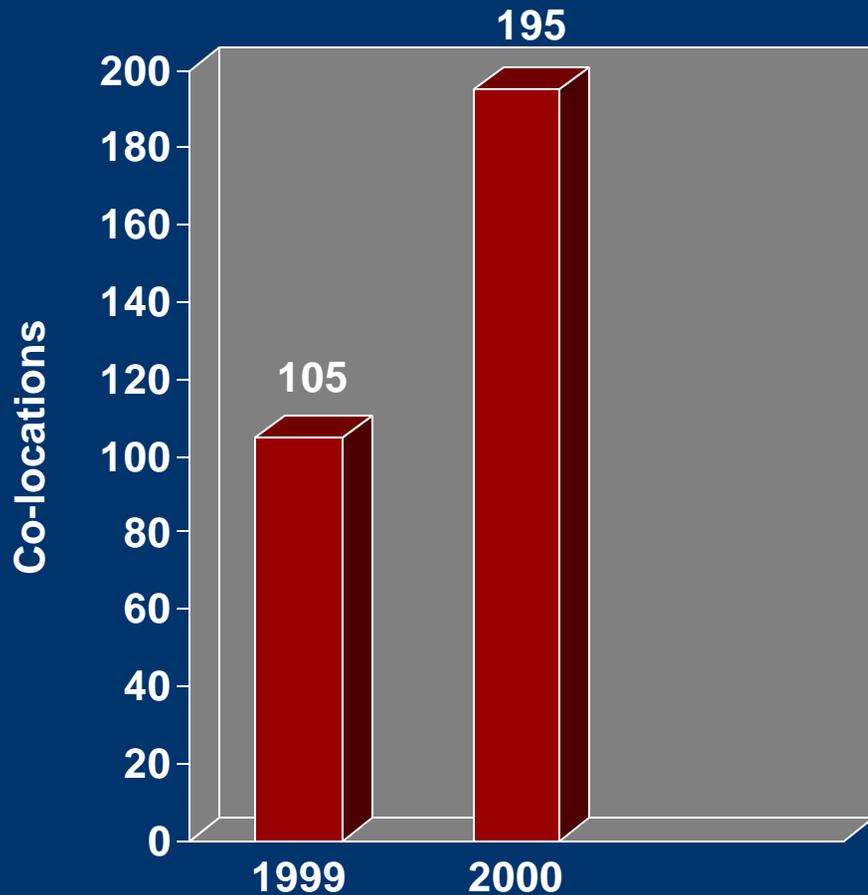
Switch & Fiber Network



Expanding Co-Location Footprint



15.3 million addressable business lines



Financial Summary

- 50,000+ Customers
- Q4 2000 Revenue of \$69.1+mm; quarterly annualized run rate of \$276mm;
- 192,000 Local Access Lines
- 285,000 Long Distance Access Lines
- Fully Funded Business Plan with no debt
- Cash flow positive in Q3 2001

Focused Strategy

Broadband Bundle

- Complete suite of voice and data products
- e.Commerce data solution

Small and Medium Sized Businesses

- 5.4 million businesses
- 15 million addressable lines

Superior Service

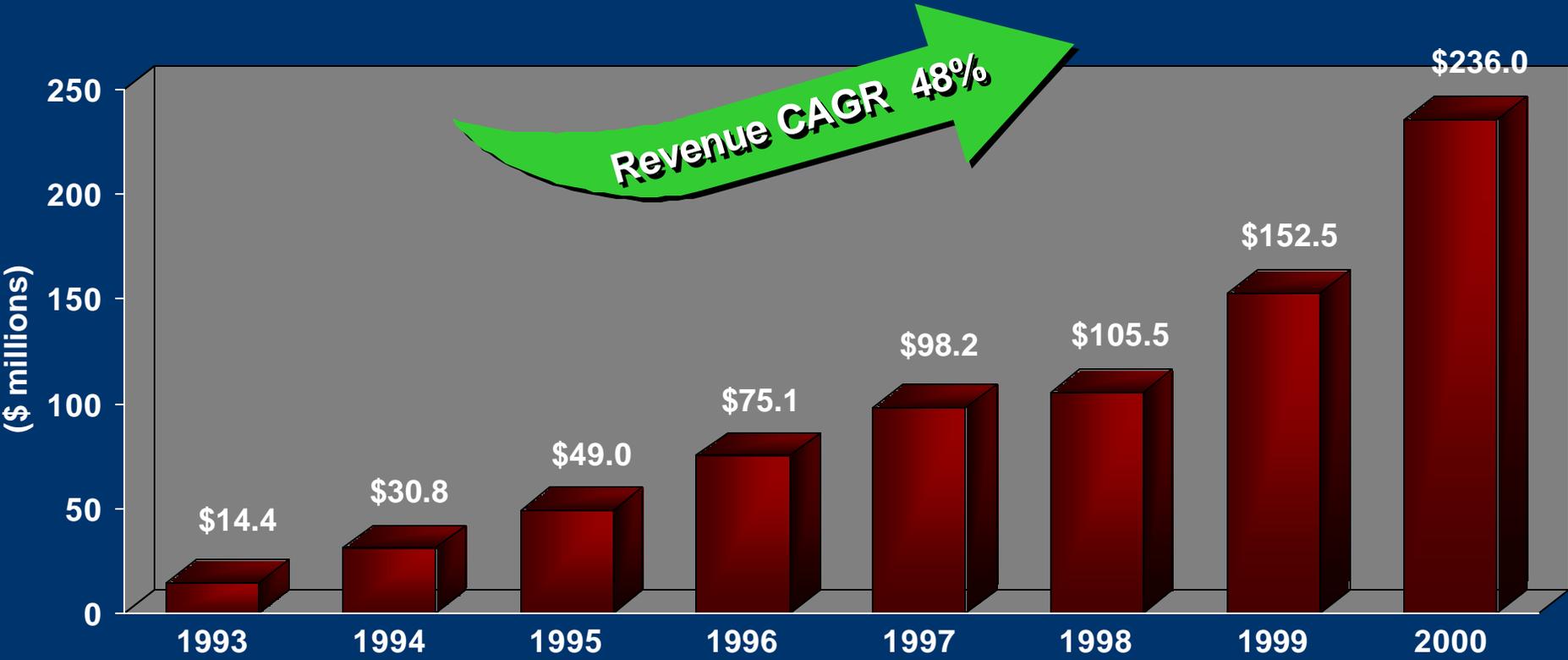
- World-class back office
- 2% churn

Maximize Margin

- Expand network
- On-net

Robust Organic Revenue Growth

Years ended December 31



Note: Revenue CAGR reflects 1993–2000

Position on Access Charges

- Network Plus both pays and collects access charges
- Access charges are a way to help absorb the cost of building a local network, sized to carry this traffic
- A drastic reduction in these charges will greatly impair the competitive market place
- A phased approach must be implemented. Immediate reduction would have negative impact on the competitive industry and therefore the consumer

The Long Distance Business

- Network Plus pays \$12m annually to local carriers for access charges
 - \$8,400,000 to the ILEC
 - \$3,600,000 to Independents and CLECs
- The Average ILEC rate is \$.015
- The Average CLEC rate is \$.04
 - CLEC rates range from \$.018 - .085
- A reduction to \$.025 would reduce Network Plus' cost by 38%

The Local Business

- Network Plus currently bills carriers at \$.04
- Network Plus business plan calls for a reduction to \$.025
- Affects on access revenues if immediately decreased:
 - .025 - 38%
 - .015 - 74%
 - .005 - 88%
- Affects on overall margin if immediately decreased
 - .025 - -2%
 - .015 - -3%
 - .005 - -5%

Conclusion

- FCC should support a 5 year phased in approach for access charge reduction
- The rate should immediately be reduced to \$.025
- AT&T's proposal should be rejected
- AT&T should be required to pay outstanding access charges to CLECs at their currently tariffed rates.



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